21 January 1963

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT

: Recent DD/R Problems with the Defense

Department

- 1. The major problem which has arisen in the past six to nine months with DOD has revolved around the organization and functioning of the NRO. Prior to the 1 May 1962 agreement and even for several months thereafter, the NRO was only a paper organization and did not function.
- 2. The NRO was originally conceived as a management tool for the DCI and Secretary of Defense to provide them a means of central direction for the legitimate programs of CIA and DOD in the aerial reconnaissance field. In practice the organization has been almost entirely DOD-oriented and CIA has not been consulted until after decisions have been made. Since the Cuban U-2 transfer, the DNRO has taken the view that the Agency is not a partner in this activity and need not necessarily be kept informed or consulted on the program. CIA proposals for actions to the DNRO have been pidgeon-holed for weeks or even months despite repeated attempts to raise the issues, and in general all actions have been aimed toward transferring Agency activities in this field. Proposals are currently active in the Pentagon for the development to the AF. of purely DOD satellite reconnaissance programs duplicating the CORONA and also for further transfers of the other aerial reconnaissance activities.
- 3. An attempt was made to cut the Agency out of research in the photographic processing field without any consultation and after the Agency had negotiated an R&D contract with Eastman in direct accordance with the views of the NRO staff. for the U-2 had only lukewarm or frequently negative support from the NRO.

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- 4. In summary, it is my strong conviction that the Air Force has been using the NRO as a mechanism for reducing the Agency's role in aerial reconnaissance with little consideration of National needs.
- 5. DD/R has had no new major problems with other parts of the DOD in the ELINT or other R&D fields.

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Deputy Director
(Research)

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ODDR:HScoville

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